

CMS PERSPECTIVE ON NEXT STEPS

2003 NATIONAL MEDICAID HIPAA & MMIS
SUMMIT

“ADDING AND CHANGING HCPCS CODES
AFTER OCTOBER '03. HOW DOES THE
PROCESS WORK?”

J. DAVID GREENBERG, M.B.A.

CENTERS FOR MEDICARE & MEDICAID
SERVICES

FEBRUARY 11, 2003

CMS HCPCS WORKGROUP

■ MEMBERSHIP:

- CMM
- CMSO
- OCSQ
- OFM
- SADMERC
- STATE MEDICAID

CMS HCPCS WORKGROUP (CONTINUED)

■ SCHEDULING:

- MEETS MONTHLY
- EXTENDS MEETINGS, AS NECESSARY
- AGENDA ITEMS SENT TO MEMBERS 3 WKS. IN ADVANCE

■ RESPONSIBILITIES:

- REVIEWS REQUESTS FOR CODES, MODIFIERS, CHANGES
- PUBLIC MEETINGS FOR NEW DME
- APPROVES, OR MAKES RECOMMENDATIONS TO NATIONAL PANEL FOR FINAL DECISIONS

PROCESS FOR CONSIDERING HCPCS CODE REQUESTS - STANDARD

- APPLIES TO REQUESTS WITH MEDICARE IMPLICATIONS, E.G., DMEPOS, DRUGS
- PROCESS DESCRIBED AT [HTTP://CMS.HHS.GOV/MEDICARE/HCPCS/DEFAULT.ASP](http://cms.hhs.gov/Medicare/HCPCS/default.asp)
- 22 QUESTIONS WITH QUESTIONS ON SALES FIGURES, FDA APPROVAL
- COORDINATED BY CMS MEDICARE STAFF
- FINAL NATIONAL PANEL DECISIONS REFLECTED IN NEXT ANNUAL UPDATE, RELEASED IN OCTOBER, EFFECTIVE NEXT JANUARY 1

PROCESS FOR CONSIDERING HCPCS CODE REQUESTS

– STANDARD (CONTINUED)

■ QUESTIONS:

- TRADE/BRAND NAME, PRODUCT/DRUG NAME, FDA CLASSIFICATION
- HCPCS CATEGORY
- ITEM DESCRIPTION
- FDA APPROVAL DATE
- DATE MARKETED
- MEDICAL PURPOSE?
- PRESCRIBED? BY WHOM?
- WHERE OBTAINED?
- DURABLE?
- HOW CURRENTLY BILLED?

PROCESS FOR CONSIDERING HCPCS CODE REQUESTS – STANDARD (CONTINUED)

■ QUESTIONS:

- CODES CURRENTLY USED
- WHY CURRENT CODES INADEQUATE?
- HOW MARKETED?
- MEDICARE COVERED?
- 6 MO. SALES VOLUME
- % SALES VOLUME BY SETTING, WHOLESALE & RETAIL COSTS
- OTHER MANUFACTURERS/SUPPLIERS
- HOW DIFFERENT FROM COMPARABLE ITEMS

PROCESS FOR CONSIDERING HCPCS CODE REQUESTS - MEDICAID

- APPLIES TO REQUESTS INITIATED BY STATES WITH NO MEDICARE IMPLICATIONS; NOT FOR DMEPOS, DRUGS
- PROCESS DESCRIBED AT [HTTP://CMS.HHS.GOV/STATES/HCPCS.ASP](http://cms.hhs.gov/states/hcpcs.asp)
- 6 QUESTIONS WITH FOCUS ON BUSINESS NEED
- CMSO MEDICAID STAFF COORDINATES PRELIMINARY REVIEW
- WORKGROUP DECISIONS POSTED TO WEB ([HTTP://CMS.HHS.GOV/MEDICARE/HCPCS/DEFAULT.ASP](http://cms.hhs.gov/medicare/hcpcs/default.asp)), NOT EFFECTIVE FOR 90 DAYS

PROCESS FOR CONSIDERING HCPCS CODE REQUESTS – MEDICAID (CONTINUED)

■ QUESTIONS:

- NAME OF PRODUCT/ITEM/SERVICE
- DESCRIBE PRODUCT/ITEM/SERVICE
- BUSINESS NEED (E.G., NEW TECHNOLOGY, ADVANCE IN SCIENCE, REPLACE LOCAL CODE)
- DATE REQUIRED UNDER FEDERAL/STATE LAW
- WHY CURRENT CODES INADEQUATE?
- WHO ELSE COVERS, HOW LONG, HOW MANY RECEIVE, # PAID CLAIMS, TOTAL EXPENDITURES

CURRENT ACTIVITIES

- CMS MEDICAID STAFF & NMEH LEAD COLLABORATE TO REFINE REQUESTS & GAIN CODE APPROVAL
- COORDINATE WITH HCPCS WORKGROUP ON AGENDA, POSTING OF DECISIONS
- PARTICIPATE IN NMEH CALLS, LISTSERV DISCUSSIONS

STATUS OF CODE REQUESTS

- WORK ON MOST OF 37 NMEH CATEGORIES COMPLETE
- BEHAVIORAL HEALTH:
 - AUGUST 2002: APPROVED 18 NEW CODES, 27 NEW MODIFIERS; REVISED 9 CODES (EFFECTIVE 1/1/03)
 - DECEMBER 2002: APPROVED 30 NEW CODES, 1 NEW MODIFIER (EFFECTIVE 4/1/03)
- WAIVER:
 - APPROVED 31 “S” CODES, EFF. 1/1/03
- DME:
 - MANUFACTURERS REQUEST
 - MUST USE STANDARD PROCESS
- SCHOOL HEALTH

ANTICIPATED ACTIVITIES: BEFORE OCTOBER '03

- ADDITIONAL WAIVER CODES
 - PRELIMINARY REVIEW COMPLETE
 - REVIEW TEAM RECOMMENDATIONS TO BE FORWARDED TO WORKGROUP
 - ANTICIPATE WORKGROUP DISCUSSION AND ACTION SOON
- ONGOING DME REQUESTS
- OTHER NON-NMEH REQUESTS

EVALUATION OF HCPCS PROCESS

- CONGRESS REQUESTED REPORT ON PROCEDURES FOR ADJUSTING MEDICARE REIMBURSEMENT FOR LAB TESTS AND DME
- CMS ANALYZING CURRENT CODING AND MEDICARE PRICING PROCESSES
- JING XING TECHNOLOGIES (JXT) IDENTIFYING PROBLEMS & SUGGESTIONS FOR IMPROVEMENT
- JXT REPORT EXPECTED FEBRUARY '04

SIGNIFICANCE OF 10/16/03

- COVERED ENTITIES THAT SUBMITTED EXTENSION REQUEST BY 10/15/02 MUST BE HIPAA-COMPLIANT BY 10/16/03
- “COVERED ENTITY” DEFINED AT WWW.CMS.HHS.GOV/HIPAA/HIPAA2
- ALL STATE MEDICAID AGENCIES REQUESTED EXTENSIONS

WHAT HAPPENS ON AND AFTER 10/16/03?

- COVERED ENTITIES EXPECTED TO USE STANDARD NATIONAL CODE SETS
- TECHNICAL ASSISTANCE AVAILABLE
- CMS WILL REVIEW HCPCS PROCESS BASED ON JXT REPORT

WHAT HAPPENS ON AND AFTER 10/16/03? (CONTINUED)

- BASED ON HIPAA EXPERIENCE AND NEED, PAYERS/MANUFACTURERS CONTINUE TO SUBMIT NEW REQUESTS:
 - DIFFERENT/ADDITIONAL UNITS OF SERVICE
 - PAYER COVERAGE DECISIONS
 - CHANGING TECHNOLOGY
 - NEW PRODUCTS MARKETING

WHAT HAPPENS ON AND AFTER 10/16/03? (CONTINUED)

■ ENFORCEMENT:

- REGULATIONS UNDER DEVELOPMENT
- ISSUANCE NOT EXPECTED FOR SEVERAL MONTHS